

Implement & Tractor

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A straight-ahead
look at

**TRACTOR
INVENTORIES**

**TRACTOR
SALES (by HP)**

**TRACTORS
ON THE MARKET**



IMPLEMENT & TRACTOR

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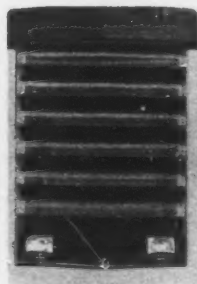
Implement & Tractor

The business magazine of the farm & industrial equipment industry

April 21, 1982 • Vol. 97 • No. 10

A Straight-Ahead Look at Tractor Inventories, Tractor Sales by Horsepower, and Tractor Models on the North American Market

- 10:** **How Do Industry Inventories Look Today?** I&T takes FIEI inventory data, quarterly for five years plus, and makes some comparisons with sales performance — and also with what was considered to be "acceptable" levels a few years back.
- 16:** **Where the Horsepower Sales Went in 1981.** This annual feature, also from FIEI's reporting program, shows tractor unit sales by state and by horsepower bracket. Text makes a rough estimate of total units of horsepower sold.
- 18:** **Tractors on the North American Market.** What are the choices if your customer is seeking a 42-hp tractor? Or what if you're a dealer looking for something to fill a gap in your line. It's all here at a glance, by make and model.
- 12:** **Sharp Shop Ideas.** Contributor Glenn Hensley's camera probes the shop of every dealer he visits, looking for practical improvements to service department efficiency. Here are several.
- 20:** **Help Your Customers Sell Their Products—You'll Sell, Too.** Walt Buescher, our "Year of the Salesman" contributor, demonstrates that it's possible to create a need for your product even in "impossible" circumstances.



On the cover... Since we were taking a straight-ahead look at tractors, we dug out this straight-ahead photo of a Versatile 1150. Speaking of inventories, Versatile has told I&T that it sold out its first production run of 1150s.

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AUCTION PRICES OF USED EQUIPMENT

An exclusive I&T monthly report of actual prices paid recently at these leading national wholesale auctions.

Asterisk beside tractor price indicates highest bid offered on tractors which were not sold.

JONES FARM EQUIPMENT CO. Dothan, Alabama March 9, 1982

ALLIS-CHALMERS TRACTORS

5040 diesel, 1977 (Fair) 3250
WD, cult., plow, 1950 (Good) 875
WD, 1949 (Rough) 200

CASE TRACTORS

1070 diesel, cab, 1972
(Excellent) 7400*
580 diesel, ldr., backhoe, 1968
(Fair) 3000
450 diesel, ldr., (Good) 4700*

DEUTZ TRACTORS

9006 diesel, 1972 (Fair) 3100
4005 diesel, 1973 (Rough) 1100*

DAVID BROWN TRACTOR

990 diesel, 1968 (Good) 1600

MASSZY-FERGUSON TRACTORS

2745 diesel, 1978 (Good) 10,800
1105 diesel, 1977 (Excellent) 7700
1105 diesel, 1974 (Good) 6500
285 diesel, 1979 (Excellent) 7750
275 diesel, 1977 (Good) 6250
265 diesel, 1979 (Good) 5850
265 diesel, 1977 (Fair) 4300
265 diesel, 1975 (Good) 5950
255 diesel, 1975 (Good) 5000
245 diesel, 1978 (Excellent) 6050
235 diesel, 1975 (Excellent) 5200
235 diesel, 1975 (Good) 4950*
180 diesel, 1968 (Good) 3250*
180 diesel, 1968 (Good) 3350*
180 diesel, 1968 (Good) 3150*
175 diesel, 1972 (Rough) 2250
175 diesel, 1970 (Good) 3700
175 diesel, 1970 (Good) 3500*
175 diesel, 1966 (Good) 3400
3165, 1968 (Rough) 1975
165 diesel, 1966 (Good) 3350*
165 diesel, 1967 (Good) 3400*
165 diesel, 1967 (Good) 3400*
165 diesel, 1968 (Good) 3600
165 diesel, 1967 (Good) 3450
165 diesel, 1966 (Good) 3250*
205 diesel, 1979 (Good) 3500*
135 diesel, 1970 (Fair) 2800*
135 diesel, 1970 (Good) 3250
135, 1967 (Fair) 2500
135 diesel, 1966 (Fair) 2700*
135, 1966 (Good) 3200
135 diesel, 1965 (Fair) 2500*
135 diesel, 1965 (Good) 3250
130 diesel, 1969 (Good) 2750
65, 1963 (Rough) 825
65, diesel, 1963 (Good) 2100*
50 diesel, 1967 (Good) 1650
35 diesel, 1962 (Fair) 1450
35 diesel, 1959 (Good) 1800*
7033, 1953 (Good) 1175
7030, 1953 (Good) 925
7030, 1952 (Good) 1100

FORD TRACTORS

9600 diesel, 1973 (Good) 6000
9000 diesel, 1972 (Fair) 3600*
8000 diesel, cab, 1972 (Fair) 3600*
7700 diesel, cab, 1977 (Good) 9100
5000 diesel, 1970 (Good) 4100*

5000 diesel, 1969 (Good) 3900*
5000 diesel, 1966 (Fair) 3200
5000 diesel, 1966 (Fair) 3100
4000 diesel, 1970 (Good) 3750*
4000 diesel, 1966 (Fair) 3000*
4000 diesel, 1966 (Fair) 3200
3000 diesel, 1967 (Good) 2750*
3000 diesel, 1966 (Fair) 2300*
3000 diesel, 1966 (Fair) 2000
3000 diesel, 1966 (Fair) 2100*
3000 diesel, 1966 (Good) 3450
2000 diesel, 1963 (Good) 2150
2000, 1963 (Good) 1900
2000, 1963 (Good) 2100*
1900 diesel, 1979 (Excellent) 4700*
961 diesel, 1958 (Good) 1150
861, 1956 (Good) 1900*
850, 1956 (Fair) 1350
Maj. diesel, 1953 (Fair) 400
Sup. Dex., 1963 (Excellent) 2200
640, 1956 (Fair) 1100*
Jub., 1953 (Good) 1600
2000, 1962 (Good) 1500*
8N, 1952 (Excellent) 1900
8N, 1951 (Good) 1300
8N, 1950 (Excellent) 1600
8N, 1950 (Good) 1175
8N, 1948 (Good) 1300

INTERNATIONAL HARVESTER TRACTORS

1086 diesel, 1977 (Excellent) 13,000
986 diesel, 1976 (Good) 9400
986 diesel, 1974 (Good) 7000
706 diesel, 1963 (Good) 3500*
2400 diesel, 1971 (Good) 2200
664 diesel, (Fair) 2450*
634 diesel, (Fair) 2700
544 diesel, 1968 (Fair) 2000*
504 diesel, 1966 (Fair) 1200
460 diesel, 1962 (Good) 1850
424, 1965 (Good) 2350
414 diesel, 1959 (Good) 900
404, 1964 (Good) 1600
340, 1961 (Good) 1000
M, 1942 (Fair) 270
H, cult., 1946 (Good) 450
Sup. C, 1951 (Good) 500
Sup. A, 1952 (Good) 850
Sup. A, cult., 1952
(Excellent) 1950
Sup. A, cult., plit., 1952
(Good) 950
140, cult., 1967 (Excellent) 3500*
140, cult., 1967 (Excellent) 3400*

JOHN DEERE TRACTORS

4630 diesel, cab, dual's, 1976
(Excellent) 13,000*
4840 diesel, cab, dual's, 1978
(Excellent) 26,000*
4520 diesel, 1969 (Fair) 5000*
4440 diesel, cab, dual's, 1978
(Excellent) 18,500
4430 diesel, 1973 (Excellent) 10,400
4020 diesel, 1968 (Good) 4900*
3010 diesel, 1962 (Good) 2500*
2630 diesel, 1974 (Good) 5400*
2030 diesel, 1973 (Good) 4350*
2030 diesel, 1973 (Fair) 3050
2030 diesel, 1973 (Good) 3900
2020 diesel, 1967 (Fair) 3150*
1120 diesel, 1975 (Excellent) 3400*
1020 diesel, 1967 (Good) 2850
1010, 1961 (Fair) 875
830 diesel, 1975 (Good) 4100*
430, 1958 (Fair) 1100
301A, diesel, 1975 (Fair) 1800*

80 diesel, 1955 (Rough) 375
A, 1950 (Rough) 290
B, 1948 (Rough) 225
B, 1948 (Fair) 400
B, 1948 (Fair) 400
M, cult., 1951 (Fair) 450*

KUBOTA TRACTOR

L260 diesel, 1972 (Good) 1900

LONG TRACTORS

560 diesel, (Good) 3700
510 diesel, (Good) 4800*
460 diesel, (Fair) 2200

LEYLAND TRACTOR

154, 1975 (Good) 2200

MASSEY-HARRIS TRACTOR

33, 1953 (Fair) 175

OLIVER TRACTORS

2-150 diesel, 1975 (Good) 7800*
55 diesel, 1955 (Good) 1250

YODER & FREY, INC. Archbold, Ohio March 3 & 9, 1982

INTERNATIONAL HARVESTER TRACTORS

A, cult, 1950 (Fair) 1725
A, plow, cult., ...1100
A, 1949 (Rough) 475
Cub 154, mo., pl., bld., (Good) 1850
Cub Lo-Boy, 1949 (Good) 925*
Cub Lo-Boy, mo., (Fair) 1725
H, 1946 (Fair) 700
H, 1949 (Fair) 825
H, ldr., 1951 (Fair) 650
SH, 1952 (Good) 775
M, 1948 (Fair) 635
M, 1950 (Fair) 725
M, 1951 (Fair) 960
M, 1950 (Fair) 885
M, 1950 (Fair) 975
Sup. M, 1953 (Fair) 975
Sup. M, 1953 (Fair) 925*
Sup. M, 1954 (Good) 1200
Sup. M, 1952 (Fair) 1000
140, (Fair) 2450
240, 1962 (Fair) 1300
300, 1957 (Fair) 750
300, plow, 1958 (Fair) 1500
340, 1956 (Rough) 1275
350, ldr., 1977 (Fair) 3700*
400, 1955 (Rough) 1450
400 diesel, 1951 (Fair) 1425
400, 1956 (Fair) 1025
400, 1956 (Rough) 775
400, 1957 (Fair) 1050
400, 1956 (Rough) 1225
460 diesel, 1961 (Fair) 2200
464, ldr., 1979 (Good) 5100*
504, 1974 (Good) 2850*
504 diesel, 1966 (Fair) 2950
560, 1960 (Fair) 1800*
560 diesel, 1960 (Rough) 1350
560, 1960 (Fair) 1600
574, 1971 (Good) 4675
574, 1975 (Good) 5500*

656, ldr., 1966 (Good) 3700
674, 1978 (Good) 6100*
686, 1978 (Good) 7300
706 diesel, 1964 (Fair) 4200
706, 1965 (Good) 3000
706 diesel, 1963 (Rough) 3100*
706, 1963 (Good) 2875
756, 1968 (Good) 4600*
756 diesel, 1970 (Good) 5700
756, ...4150
766, 1975 (Good) 5800
766, 1974 (Good) 8100
806, 1966 (Good) 3350*
806 diesel, 1963 (Fair) 4500
806 diesel, 1965 (Rough) 3850
806 diesel, 1967 (Fair) 3800
806 diesel, 1967 (Fair) 5400*
806, 1966 (Fair) 4000
806, 1966 (Fair) 3300
806, 1965 (Fair) 3000
856 diesel, 1973 (Good) 6700
856 diesel, 1970 (Good) 8000*
856 diesel, 1969 (Fair) 5300*
856 diesel, 1968 (Fair) 6100
856, ...7075
886 diesel, 1969 (Good) 7500
966, 1974 (Good) 7600
966, 1975 (Fair) 8550
986 diesel, 1979 (Good) 14,500*
1026, 1973 (Fair) 6925*
1066 diesel, 1975 (Good) 9800
1066, 1975 (Rough) 8300
1066 diesel, 1974 (Fair) 7900
1066 diesel, 1975 (Good) 11,200*
1066, duals, 1976 (Good) 12,375
1066 diesel, 1974 (Good) 9000
1066 diesel, duals, 1973 (Good) 12,200*
1066 diesel, 1975 (Good) 11,700*
1066 diesel, 1976 (Fair) 9300
1086 diesel, 1974 (Good) 16,000*
1086 diesel, 1978 (Good) 14,500*
1206, 1967 (Good) 5150
1256 diesel, 1969 (Good) 8200
1256 diesel, 1966 (Fair) 6500
1466 diesel, 1975 (Fair) 8100*
1466 diesel, 1973 (Good) 9450*
1466 diesel, 1974 (Good) 10,500
1466 diesel, 1975 (Good) 9750
1466 diesel, 1973 (Good) 8700
1486 diesel, 1979 (Excellent) 20,250*
1586 diesel, 1979 (Good) 16,500*
1586 diesel, 1978 (Good) 13,750*
3500, hoe, ldr., ...7200*
3788, (New) 32,000*
4586 diesel, 1978 (Good) 26,000
S.p. C, 1951 (Fair) 1000
330, 1958 (Fair) 1775

MINNEAPOLIS-MOLINE TRACTORS

Jet Star 3, 1960 (Rough) 900*
Jet Star 3, ldr., (Good) 3050
445, ldr., 1963 (Rough) 950
M-670, 1967 (Fair) 1800
M-670 diesel, 1966 (Good) 4550
M-670 diesel, 1967 (Good) 4000*
G-900, 1964 (Rough) 3100*
G-1350, (Rough) 6250*

COCKSHUTT TRACTOR

1650 diesel, 1965 (Rough) 2900

VERSATILE TRACTOR

700, 1974 (Excellent) 20,100*

STEIGER TRACTOR

Bobcat, 1974 (Good) 8000

(More...)

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Circle (6) on Reply Card

Auctions (continued)

FORD TRACTORS

8N, 1950 (Good)	1500
8N, 1950 (Fair)	1150
8N, 1950 (Good)	1525
9N, ldr., 1945 (Fair)	850
9N,	750
9N, 1945 (Rough)	585
9N, 1944 (Rough)	825
600, 1954 (Good)	2000
800, 1955 (Fair)	2500
901 SCS, 1961 (Fair)	1375
901 SCS, 1956 (Fair)	1325
4000 diesel, 1971 (Fair)	3950*
4000, 1971 (Fair)	3800*
5000, 1965 (Fair)	5100*
5000,	4750
7000, 1976 (Good)	7300
7000 diesel, 1973 (Fair)	7300
8000, 1972 (Fair)	5300*
8000, duals, 1972 (Fair)	4850
3000 diesel, 1971 (Rough)	4600*
8600, 1974 (Fair)	8800*
9000, 1968 (Good)	7100
1600, 1980 (Excellent)	4050*
5800 diesel, 1978 (Good)	6700*
3400, hoe, ldr.,	3300*
3400, ldr.,	3550
4500, hoe, ldr.,	4000
9700, 1979 (Good)	17,100

OLIVER TRACTORS

77, 1950 (Good)	600
88, (Fair)	510
550, ldr., 1964 (Rough)	1550*
1355 diesel, 1972 (Fair)	6500
1600, 1963 (Fair)	2750
1600 diesel, 1961 (Fair)	3000*
1650, 1965 (Fair)	3050
1650 diesel,	2900
1650 diesel, 1962 (Rough)	3400*
1650 diesel, 1966 (Good)	4200
1755, 1973 (Good)	5800
1800, 1962 (Fair)	2500
1800, 1963 (Fair)	2875
1800 diesel, 1963 (Fair)	2150
1800, 1962 (Fair)	2400
1800 diesel, 1962 (Fair)	3100
1800, 1961 (Fair)	2600
1850, 1966 (Fair)	4100
1850 diesel, 1965 (Rough)	3400
1855 diesel, 1972 (Fair)	6150
1855 diesel, 1965 (Fair)	5150
1900 diesel, 1962 (Rough)	1925*
1950, 1966 (Fair)	4800
1950-T, cab, 1965 (Fair)	4900
2655 diesel, 1973 (Fair)	8900

WHITE TRACTORS

2-105 diesel, 1977 (Good)	9900
2-135, 1976 (Fair)	9100*
2-150 diesel, 1975 (Good)	9100*
4-180, duals, 1975 (Fair)	15,000
4-180, (Excellent)	20,000
2-30, 1979 (Fair)	3800*

CASE TRACTORS

600,	975
580, hoe, ldr.,	6100
830 diesel, 1957 (Fair)	2800
830 diesel, 1966 (Fair)	2550
830 diesel, 1965 (Rough)	1800
830 diesel, 1966 (Rough)	1100
830 diesel, 1967 (Fair)	2850
830 diesel, 1966 (Fair)	1450
970 diesel, 1973 (Fair)	5150
970 diesel, 1972 (Rough)	4700*
1030 diesel, 1967 (Fair)	3600*
1030, 1966 (Fair)	4000
1030 diesel, 1965 (Fair)	4000
1030 diesel, 1967 (Fair)	4800*
1170 diesel, 1971 (Fair)	6200
1270 diesel, 1973 (Good)	8800*
1370 diesel, 1971 (Good)	8400*
1370 diesel, 1976 (Fair)	9800
1370, duals, 1976 (Fair)	11,750*

DAVID BROWN TRACTOR

1200, ldr., 1964 (Fair)	2450
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DEUTZ TRACTORS

D10006, 1977 (Fair)	8000
D13006, 1974 (Fair)	8000*

JOHN DEERE TRACTORS

A, 1950 (Rough)	475
A, 1950 (Good)	675
B, 1948 (Fair)	325
G, 1950 (Rough)	675
40, 1955 (Rough)	680
40, 1955 (Rough)	1050
50, 1955 (Fair)	1175
60, ldr.,	800
60, 1953 (Rough)	1100
60, 1954 (Rough)	925
60, 1955 (Rough)	570
70, 1956 (Rough)	675
70, 1957 (Fair)	1050
80, 1955 (Rough)	1200
520, 1950 (Rough)	1200
520, 1957 (Good)	1700*
530, 1959 (Good)	1700
620, 1957 (Rough)	1557
620, 1957 (Good)	1400*
620, 1957 (Fair)	1225
720 diesel, 1957 (Fair)	1410*
720, 1956 (Good)	1750
720 diesel, 1959 (Rough)	1200*
720, 1959 (Fair)	1450
720, 1957 (Fair)	1500
720 diesel, 1957 (Fair)	1600
720, 1959 (Fair)	1400
730 diesel, 1959 (Fair)	1800
730 diesel, 1959 (Fair)	1950*
920, 1971 (Rough)	3600*
1020, 1971 (Fair)	3600*
1020, 1971 (Rough)	3000*
2010 diesel, 1963 (Rough)	1700*
2010, 1963 (Rough)	1700*
2010, 1962 (Rough)	1800*
2030 diesel, ldr., 1973 (Good)	5100
2440, ldr., 1982 (New)	14,800*
2510, (Fair)	3350
2640, ldr.,	10,000
3010, ldr., 1962 (Rough)	4325
3010, 1963 (Rough)	2300*
3010, 1963 (Rough)	1800*
3010, 1962 (Fair)	3300
3020 diesel, 1967 (Good)	6175
3020 diesel, 1970 (Good)	6200*
3020 diesel, 1970 (Good)	6950
3020 diesel, 1968 (Fair)	6075
3020, 1967 (Fair)	8500
4010, 1961 (Good)	4800*
4010, 1963 (Good)	5200
4010 diesel, 1964 (Fair)	3500
4010, 1963 (Good)	4975
4010, 1963 (Fair)	3250
4020, 1966 (Fair)	6375
4020 diesel, 1968 (Good)	6800*
4020, 1965 (Good)	7150*
4020 diesel, 1963 (Fair)	6300
4020 diesel, 1966 (Good)	6500
4020 diesel, 1965 (Fair)	5500
4020 diesel, 1970 (Good)	7550*
4020 diesel, 1968 (Good)	6750
4020 diesel, 1965 (Good)	6450
4020 diesel, 1966 (Good)	6400*
4020 diesel, 1967	
(Excellent),	7150
4020 diesel, 1966 (Good)	6100
4020, 1965 (Good)	4150
4020, 1965 (Fair)	4000*
4020, 1966 (Fair)	6150
4020 diesel, 1970 (Good)	7900*
4020 diesel, 1966 (Fair)	6500*
4020 diesel, 1970 (Fair)	7650
4020 diesel, 1965 (Fair)	5950
4020, 1965 (Fair)	4400
4020, 1966 (Good)	3800*

(Continued on page 24)

IMPLEMENT & TRACTOR

IMPLEMENT & TRACTOR

(GODZILLA MEETS KING KONG)

How do major inventories look today?

Not so many years ago, when interest rates were much lower, industry marketers set what they considered 'acceptable' inventory levels. How would the industry stack up today by those standards?

By Bill Fogarty

■ AS ONE reviews farm equipment inventory history over recent years, several fantasies come to mind:

In one, the industry takes the form of an ex-beauty queen who sees each day this buildup of fat on the tummy, thighs and elsewhere. Knowing that this will destroy her popularity, she indulges in violent exercise and popping amphetamines (call it intense discounting) to get rid of that inventory of cellulose (or tractors and combines). But every time she loses a few pounds, she celebrates with a pizza binge, and the next trip to the scales provides a reading even more dreary than the one before.

In another, a young child asks his father, a marketing executive, where inventories come from. Flustered, the man removes his nose from the *Wall Street Journal* long enough to sputter: "Uh, the doctor brings them in a little black bag. Er, the inventory fairy puts them under my pillow. Umm, they're found under leaves in the cabbage patch. What put strange ques-

tions like that into your head, anyway?" And after he shoos the kid away, he sits and ponders, "Where do they come from, anyway?"

Or this one: It's a movie in which we have not only the prehistoric monster Godzilla (played by Low Commodity Prices), we also have King Kong (played by Interest Rates) sharing star billing. In this flick, they don't fight each other. Instead, they *mate* and their offspring is called Industry Inventory. Together, the fearsome trio sets off to destroy the world. And there are all those grim-faced B actors cast as officers and enlisted men in the farm equipment army. The firing of salvo after salvo of heavy merchandising barely makes a dent in the inventory monster. Brave infantrymen (salesmen) are sent out on reckless bayonet charges, but they seem only able to snip off little bits of the beast's tail, which somehow keeps growing and growing....

Where's inventory now?

I&T dug out FIEI monthly reports of retail sales of farm tractors and self-propelled combines, which also include monthly inventory tallies both for what's at the factory and what's in the field. (The latter, of course, is dealer inventory which is not paid for.)

We took quarterly numbers on

tractors and combines starting back on Dec. 31, 1976, and running up to the end of 1981. That's what you see in the *Industry Inventories* table. As is apparent, if you compare respective quarters, the count has had a way of inching upward through most of our recent history.

For instance, self-propelled combines had always managed to finish each year with a count of under 10,000 units on hand. But the last two years have seen the count running over 12,000.

One mitigating factor: The low levels recorded at the top of the table are somewhat deceptive. Deere & Co. had experienced a strike that ran approximately a month in the fall of 1976. The action had an unusual effect on the retail market; many people, not knowing how long production might be disrupted, advanced their plans for buying a tractor or combine. And since Deere has such an important share of the market, it made a real difference. We are not likely to see such low inventory levels again for a long time.

What's acceptable?

Over six years ago (November, 1975) an FIEI survey asked industry executives to indicate what they considered to be an "acceptable" level of inventory as a per cent of sales. They indicated thus: Two-wheel-drive

Year	Tractor Inventory	Tractor Sales	Combine Inventory	Combine Sales
1977	10,000	100,000	10,000	100,000
1978	10,000	100,000	10,000	100,000
1979	10,000	100,000	10,000	100,000
1980	10,000	100,000	10,000	100,000
1981	10,000	100,000	10,000	100,000

Dec., 1976	31,554	19,335	4,998	55,887	4,524
Jan., 1977	28,461	25,002	7,023	60,486	14,816
Feb., 1977	32,709	30,123	5,176	67,980	13,022
Dec., 1977	40,405	30,912	5,538	76,855	9,665
Jan., 1978	37,443	28,384	5,288	64,996	19,307
Feb., 1978	35,173	28,990	5,371	64,990	19,273
Dec., 1978	32,501	26,504	4,723	63,728	9,161
Jan., 1979	31,893	27,847	4,932	60,672	16,353
Feb., 1979	31,893	25,612	5,036	62,501	17,454
Dec., 1979	37,881	27,197	6,098	71,176	8,339
Jan., 1980	42,463	28,276	7,029	73,773	15,865
Feb., 1980	41,072	28,391	7,336	72,109	16,167
Dec., 1980	38,115	25,125	7,470	70,710	12,070
Jan., 1981	40,644	32,523	6,472	81,439	19,509
Feb., 1981	40,275	33,220	7,757	81,252	19,773
Dec., 1981	38,445	34,850	6,695	79,986	12,704

farm tractors, 35 per cent; four-wheel-drive farm tractors, 25 per cent; self-propelled combines, 35 per cent.

However, at the time, the actual inventory levels were at unacceptable levels: too high for

tractors under 80 hp at 45 per cent; too low for over-80 models at 26 per cent; too high for four-wheelers at 38 per cent; too low for self-propelled combines at 13 per cent.

It's important to remember,

however, that we're looking at averages. Some of the companies may have been on target. In any case, most of the reporting companies indicated that by sometime in 1976, they ex-

(Continued on page 22)

Inventories

(Continued from page 11)

pected to have their inventories in acceptable conditions.

In retrospect, the lack of concern appears reasonable if one takes a look at interest rates in those days. According to the Federal Reserve Bulletin, the average prime rate for three-month commercial paper as of July 1, 1976, was 5.24 per cent; for six-month paper, it was 5.65 per cent.

First of July,	Rate (pct.) for prime	
	commercial paper 3-month	6-month
1977	5.54	5.60
1978	7.94	7.99
1979	10.97	10.91
1980	12.66	12.29
1981	16.35	15.46

But times have changed. Interest rates taken from the same Federal Reserve table have shown the following progression:

The final set of figures to consider is tractor and combine inventories as a per cent of sales,

as shown in the smaller table. It indicates that even in a couple of fairly good sales years, with interest rates only beginning their unprecedented climb, the inventory levels were not very close to "acceptable" even as defined when interest rates were lower.

So what would be an acceptable level for 1982? Industry executives have not been polled publicly on the subject for some years, but it would seem that if interest rates have about tripled, the acceptable level would have to fall at about half that of 1975-76.

A number of industry people have been saying it for years, but it bears saying again: As long as interest rates remain high, the time span from the completion of manufacture until the date of retail sale will have to be shortened. If not, the farm equipment industry will probably be a generally low-profit area of enterprise, with only occasional spurts into realms of profitability on a par with other industries. □

INDUSTRY IN MOTION

Richard Ruh has joined Yanmar Tractor (U.S.A.), Inc., Bensenville, Ill., as manager of distribution. He was formerly with Arps, Div. of Chromalloy.

Edward C. Tucker has been appointed director of manufacturing for Trail King Industries, Mitchell, S.D. He was previously with Long Mfg.

U.S. firms are invited to exhibit their products at the 1982 Algiers International Fair, Aug. 25-Sept. 10. The fair will feature agriculture and water resources equipment, aviation products, telecommunications equipment, light industry products, construction equipment, mining machinery, and oil and gas equipment. Interested firms should contact James Mied, Room 2106, U.S. Dept. of Commerce, Washington, DC 20230, phone 202-377-3786.

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WHAT HAPPENED TO

■IF YOU WERE thinking about comparing numbers on this 1981 table with the same data for 1980 (I&T, April 21, 1981), perhaps we can save you the trouble.

In terms of horsepower brackets, sales volume was down in all but two categories—two-wheelers, 140-149 hp, and four-wheelers, over 250 hp. In three other brackets, the decline was slight enough to be about even—two wheelers, 70-79 hp and 80-89 hp, and four-wheelers under 200 hp. Total tractor sales declined from 119,331 units in 1980 to 103,835 last year.

A few states showed tractor sales improvements. The volume in Texas, almost always the largest unit volume state, went up by approximately 9 per cent, from 10,047 to 10,989 tractors. We asked R. B. Allen, executive vice-president of the Southwest Hardware & Implement Assn., what caused the improvement.

"You have to look at 1980," he replied. "That was a very bad drought year; we had over 100 days in which the temperature went over 100 degrees."

Another state with an improvement was North Dakota—sales rose 7 per cent from 2,575 units to 2,772. Keith Howard, executive vice-president of the North Dakota Implement Dealers Assn., observed that most of the sales strength took place in the first quarter of 1981, coming off of a weak 1980.

Horsepower volume

Implement & Tractor made a rough comparative tally of horsepower units sold in 1980 and 1981.

In 1980, the U.S. industry sold 10.8 million units of horsepower. The heaviest concentration ran from 80 to 139 horsepower—4.97 million units.

Last year, the industry sold 9.4 million units. Again, the concentration was from 80 to 139 horsepower, with 4.46 million units sold. □

Two-Wheel-Drive Tractors

State	40-49	50-59	60-69	70-79	80-89	100-119	120-129
Alabama	485	240	171	200	177	146	24
Alaska	19	21	4	1	5	3	.....
Arizona	40	35	61	61	151	155	12
Arkansas	551	289	264	99	137	94	23
California	419	627	812	856	628	273	46
Colorado	70	90	88	24	94	92	36
Connecticut	36	46	41	7	20	12	.....
Delaware	14	15	13	12	11	9	6
Florida	497	260	362	371	334	224	21
Georgia	628	264	271	181	253	147	50
Hawaii	21	9	6	11	8	1	.....
Idaho	50	92	119	47	205	186	103
Illinois	189	194	328	273	371	420	171
Indiana	149	170	235	140	251	224	84
Iowa	73	133	288	231	625	768	239
Kansas	91	79	153	84	247	388	175
Kentucky	806	645	554	280	362	154	30
Louisiana	608	226	258	151	134	156	26
Maine	69	33	47	9	32	31	9
Maryland	109	84	75	38	91	62	11
Massachusetts ..	36	51	21	21	13	9	.....
Michigan	213	277	338	198	337	268	94
Minnesota	81	182	363	213	688	616	212
Mississippi	419	226	219	129	166	160	39
Missouri	327	323	474	205	435	320	101
Montana	125	107	116	30	154	123	55
Nebraska	46	38	90	39	267	413	110
Nevada	7	16	12	3	13	6	.....
New Hampshire ..	30	35	24	12	27	5	1
New Jersey	65	33	22	23	43	16	3
New Mexico	55	28	38	34	26	20	9
New York	209	245	374	203	628	259	41
North Carolina ...	785	367	346	209	435	183	53
North Dakota	16	39	49	30	92	282	168
Ohio	309	328	384	193	384	285	89
Oklahoma	351	182	176	113	258	371	72
Oregon	250	176	173	79	153	80	13
Pennsylvania	291	283	371	159	357	193	40
Rhode Island	6	2	2	1	1	2	.....
South Carolina ...	270	151	131	96	127	52	19
South Dakota	14	35	65	41	208	301	90
Tennessee	746	420	336	164	242	174	34
Texas	2,000	1,004	1,019	712	928	968	180
Utah	80	91	85	49	88	70	29
Vermont	53	49	79	15	84	22	4
Virginia	462	300	250	111	240	97	25
Washington	405	333	185	90	117	46	15
West Virginia	125	77	65	20	41	7	2
Wisconsin	107	285	683	338	900	644	182
Wyoming	17	32	36	13	68	40	14
U.S. Government ..	.....	.....	7	2	.....	6	.....
Miscellaneous ...	58	1	22	150	11	5	
TOTAL	12,862	9,268	10,705	6,471	11,667	9,588	2,760

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on the 1982 North American Market

